Testimony to the Illinois Human Services Commission

September 21, 2011



Thank you for the opportunity to submit testimony on the impact of FY 2012 Illinois state budget cuts. The Chicago Alliance to End

Homelessness works to create, support, and sustain effective strategies to end homelessness in Chicago. We represent over 80 homeless service agencies and the thousands of adults, families, and youth they help house and move toward self-sufficiency every year.

The Chicago Alliance is deeply concerned about the state budget cuts to homeless programs and their devastating impact on our efforts to ensure all Illinoisans have safe, affordable housing. **The FY12 state budget cut homeless services by \$6 million or 17%.** While these programs make up less than 1% of the \$4 billion General Revenue Funding for the Illinois Department of Human Services, they are an integral part of our state's safety net and they get results.

We are particularly concerned about the following two programs:

- A 52% reduction to the Emergency and Transitional Housing Program to \$4.4 million: This program provides temporary housing and critical supportive services to help 30,000 adults and 12,000 children annually get back on their feet and prevent future instability. For an average cost of only \$304 per household served, almost 16,000 Illinoisans were able to transition into more permanent housing last year. Cutting the program in half is forcing 21,000 people out on the streets, an unacceptable trend.
- A 38% reduction to the Homeless Prevention Program to \$1.5 million: This program provides a small grant to families at risk of eviction or foreclosure keeping them in their home is better for the family and more cost-effective for the state. On average, it costs the state \$916 per household to prevent homelessness and saves over 2,300 families from the street every year. In total, the Homeless Prevention Program has been cut by 87% since FY 2009m when funding was \$11 million. Through FY 2011, the funding cuts were mitigated by the availability of federal Recovery Act funding; however, those funds have been or will be exhausted soon.

The Human Services Commission should urge the Illinois General Assembly to restore funding to these cost-effective, life-saving programs. The Emergency and Transitional Housing and Homeless Prevention programs have proven to be successful solutions for the people who count on them – yet due to years of under-funding and slow payment, they are struggling to stay afloat. We are confident that state government will do what is right for the most vulnerable among us, particularly in these trying economic times.

Respectfully submitted, Nicole Amling Director of Public Policy

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205 WEST WACKER DRIVE